

Different perspectives on programme and institution mobility

Dr Grant McBurnie, Monash University, Australia

This presentation looks at:

- **Scale and spread of program and institution mobility**
- **Types of provision**
- **Motivations and concerns for providers**
- **Practical issues for providers**
- **Host country regulations**
- **Future of the types of provision**

Scale and spread

- Little consolidated data
- UK: 191 countries
- Australia: 159 countries
- 300,000 students
- 100 branch campuses (ME and SEA)

Types of provision

- Distance education/ODL
- Partner supported delivery, incl twinning
- Full branch campus

Motivations and concerns for providers

- Motivations: Prestige; Academic benefits; Financial rewards
- Concerns: Risk – Reputational; Financial; Legal; Sovereign; Physical
- War zone; weak rule of law; language

Practical issues for providers

- What and how (curriculum, teaching, research)
- Costs (travel, salaries, infrastructure)
- Resources (provider, government, agency)

Host country regulations

- Demand absorption (expand provision)
- Enrichment (quality and complementarity)
- Export preparation (prestige, attract international students)

Future of the types of provision

- DE: mass or niche
- PSD: squeezed out in enrichment phase
- Branch campus: prestigious and multi-financed
- Diaspora, language, religion
- Developed and developing (times four)

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Scale and Spread of Program and Institution Mobility

While there are little consolidated official data, the spread of transnational education can be gleaned through sources such UNESCO, the Observatory on Borderless Higher Education, the higher education press, industry-based subscriber information services and various reports that have been carried out from time to time.

Consolidated data are only available from two exporting countries, the UK and Australia, but since they are two of the major players, this provides us with useful insights into the size and distribution of transnational program enrolments. In the most recent data available, UK institutions report enrolling students from 191 countries in their offshore programs, while the Australian government records students from 159 countries being enrolled in its public universities' transnational programs. Most of these countries have less than 100 students enrolled—63 per cent for the UK and 81 per cent for Australia (Garrett and Verbik 2004; Australian Department of Education Science and Training).

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	UK (2002/03)	Australia (2004)	Total UK and Australia
Singapore	10,838	18,960	29,798
Hong Kong	13,928	15,594	29,522
Malaysia	10,506	14,579	25,085
China	1,491	9,654	11,145
Russian Federation	6,919	46	6,965
Israel	5,377	10	5,387
Ireland	5,325	32	5,357
Greece	4,397	3	4,400
United Arab Emirates	961	2,174	3,135
Trinidad and Tobago	3,079	4	3,083
Canada	1,896	1,168	3,064
United States of America	2,258	556	2,814
Germany	2,339	163	2,502
South Africa	1,408	995	2,403
Romania	2,277	4	2,281
Japan	715	1,358	2,073
India	1,203	621	1,824
Sri Lanka	956	791	1,747
Oman	1,506	41	1,547
Pakistan	1,156	373	1,529
Slovak Republic	1,359	1	1,360
Switzerland	1,085	118	1,203
Mauritius	1,031	152	1,183
Others	19,635	9,178	28,813
Total	101,645	76,575	178,220

Table 1. Foreign students enrolled in UK and Australian transnational programs.
Source: Garrett and Verbik 2004: 6; DEST 2005.

We can see that these two leading exporting countries between them enroll around 300,000 foreign students in their transnational programs, and that the students are concentrated in Asia.

Types of Provision

There are essentially three ways of delivering transnational programs—through distance education, partner-supported delivery, or a branch campus.

Cross-border distance education

Distance education refers to online or print-based distance education without face-to-face teaching. Curriculum materials are designed for independent study and usually

transmitted across national borders by a combination of posted print materials and internet-based resources. Students and their teachers communicate to varying degrees using email, web-based discussion forums and increasingly Internet telephony.

Cross-border distance education enrolments are spread very widely, if thinly, across the globe. For example, students from 159 countries are enrolled in Australian offshore programs, even though partnered programs are only offered in 43. In 100 countries there are less than 20 students enrolled in Australian programs in 2004 (DEST 2005).

Transnational distance education that is provided by staff from the home campus without a local presence in the student's country is the lowest-risk way to enrol students overseas. In the late 1990s, one scenario excited and terrified educational planners more than any other, and this is the development of the global online mega-university. Despite the best laid plans, fully-online global delivery failed to capture the imagination of students and teachers in the same way it excited senior administrators. Higher education's dot.com bubble saw millions of dollars invested by universities the world over in failed online endeavours

Those transnational distance education operations that remain are generally those with longstanding domestic distance education operations, where the infrastructure is already in place and international students can be taught alongside domestic students at little marginal cost. The vast majority of programs that began with the intention of offering distance education programs transnationally eventually entered into partnerships with local providers in their target markets or else operate with a relatively small student population dispersed across a large number of countries.

Partner-supported delivery

Partner-supported delivery involves a local partner who provides a range of services to students, usually including face-to-face teaching, a library, computers and administrative support. Partners vary enormously, and include *inter alia* public or private universities or colleges, the commercial arms of public institutions, for-profit or not-for-profit companies, professional associations, government departments or agencies. There is a range of models of partner-supported delivery, which vary widely in terms of the division of responsibility for the components of the program between the awarding institution and the local partner. This includes academic matters (such as the provision of curriculum, tuition, assessment, credentialing and academic quality assurance) and operational matters (such as marketing, administration, provision of physical and financial resources, non-academic services to students, and operational quality assurance). In some contracts these may be broken down into dozens of sub-components. A common variation on this is 'twinning', whereby students complete the first component of the qualification in the host country and—if successful—complete their studies at the home campus of the awarding institution. The curriculum materials are either those of the provider country, or a local course adapted to or validated by the foreign provider. The student is normally enrolled throughout with the foreign provider. In cases where the student is enrolled initially with the local partner and subsequently enrolls with the foreign provider, this is more often referred to as an 'articulation' arrangement. Another variation is a 'franchise', whereby the local provider is licensed to provide the foreign course under conditions set out by

contract. Those conditions – that may include stipulations about class size, contact hours, teacher qualifications and the role of the home country institution in conducting quality assurance – will determine the shape and quality of the program.

Branch campuses

A branch campus involves a bricks-and-mortar presence in the host country, fully or jointly owned by the awarding institution. It refers to offshore operations of a university which offer a range of entire programs to students of the country in which the campus is located and from third countries. Courses are taught in a similar manner to other campuses of the institution, and usually involve higher proportions of face-to-face teaching from more highly qualified teaching staff than is the case in partner-supported delivery. Students are residents of the host country, or international students from outside the host country. It refers to offshore operations of a university which offer a range of entire programs to students of the country in which the campus is located and from third countries.

The Observatory for Borderless Higher Education suggested in 2005 there were approximately 100 branch campuses that fit the definition of ‘an entity trading directly as a branch of the parent institution, recruiting primarily local students, and attempting to replicate breadth of function of the parent institution (e.g. research as well as teaching)’. The vast majority of these have been established since the mid-1990s and they are concentrated in the Middle East and Southeast Asia, with growth currently occurring in India, China and Central Asia. (OBHE Breaking News, 27 June 2005). United States and Australian universities have the largest number of branch campuses, with smaller numbers operated by institutions based in the UK, Malaysia and Singapore. Most are branches of universities but some are polytechnics or vocational training colleges.

The Motivations/Considerations for the Providers

Here I reflect in particular the perspective of an Australian public university. We can consider: (1) the benefits that attract the provider; (2) the key concerns that face the provider; and (3) practical questions about delivery costs and resources.

(1) The key benefits that attract the provider are:

- Prestige
- Academic benefits for staff and students (through the internationalisation of teaching/curriculum, research and community engagement). This can include attracting international PhD students in disciplines that have low local demand.
- Financial benefits, from tuition fees charged in the host-country, and from attracting students to the home country (where the profits are usually greater)

(2) The key concerns that face the provider

The key concerns are the risks involved, chiefly: reputational, financial, legal, sovereign and physical.

(3) The practical questions can be considered under three headings.

What do we propose to deliver and how? – (for example, curriculum; teaching; research; administration; community outreach; staff development – in which delivery modes?)

What costs will there be? – (for example, travel and accommodation; staff time; physical infrastructure such as classrooms, laboratories, library holdings, computers etc)

Where will the resources come from? – (for example, home and/or host government and/or third-country government/s; home and/or host and/or third-country institutions [note that there are institutional constraints on the use of public money]; international bodies; aid agencies etc)

Benefits and Dangers for the Host Country

There are numerous potential benefits for the host nation. Transnational education helps to meet local student demand through the provision of additional places. It provides students with an option to earn a foreign degree at less cost than studying abroad; students studying in their home country usually have a lower cost of living, save on air fares, and have greater opportunity to engage in paid work while studying (ie without visa restrictions limiting employment hours). Frequently tuition fees are lower than at the home base of the foreign provider. By reducing the outflow of funds that accompany students studying abroad, transnational education can assist importer countries with their balance of payments. Further, the user-pays approach to meeting student-demand frees up public funds that can be spent on other government priorities. The presence of foreign providers can create local employment opportunities for academic and managerial staff. In the case of full branch campuses, there is an expansion of local infrastructure (libraries, laboratories, IT facilities, classroom space), as well as expanded curriculum material, and administrative systems. The effect of competition and collegiality with foreign providers may have beneficial impacts on local academic and managerial practices.

Conversely, there are numerous potential dangers for importers of transnational education. It can exacerbate socio-economic inequities of student access by further favoring the privileged who can pay fees. There may be detrimental effects on the nation-building role of education, due to the influence of foreign curriculum and pedagogy (sometimes referred to as ‘cultural imperialism’), and undermining of the local system by foreign providers cherry-picking popular disciplines (such as business and IT), thereby reducing the state’s ability to cross-subsidise less popular or high-cost courses. The additional academic employment provided by transnational education may be geared only to a limited range of teaching programs, and without provision of time and resources for staff to carry out research – staff may be treated as semi-skilled workers in a ‘teaching factory’. A major area of concern is the potential for substandard provision of education if appropriate quality measures are not in place and enforced.

Host Country Regulatory Responses

The OBHE has an excellent survey of regulation, that Svava will speak to.

On this issue, I note that McBurnie and Ziguras suggest that the type of regulation depends upon whether the country is in a “demand absorption” phase or a “enrichment” phase, whereby:

- Countries experiencing growth in demand for higher education that cannot be met by local providers typically establish regulatory frameworks to expand the volume of transnational provision in order to rapidly increase the capacity of the system.
- Countries with stable demand and adequate supply of higher education establish regulatory frameworks that promote forms of transnational provision that enrich the national system by complementing local providers in ways that create greater diversity, internationalization and status.

Patterns of Movement

We may foresee the following higher education development path occurring in many countries, albeit at different rates and with different national inflections:

1. Faced with a shortage of relevant, quality study options in the local tertiary system, students travel abroad to study;
2. The capacity of the local system is built up, through a combination of public and private investment and through partnerships with foreign universities to raise institutional capacity.
3. As local capacity grows, reliance on foreign universities shifts from capacity building to building the prestige and quality of the local system. Foreign branch campuses are recruited and increasingly stringent quality assurance squeezes out the lower status and lower quality partner-supported programs.
4. Having grown domestic capacity, the government looks at its options for exporting education. This may involve plans to become a ‘hub’ provider, attracting students from the region. The presence of prestigious foreign providers may be a key part of the drawcard. The export preparation phase involves a shakeout of providers, to ensure the quality of foreign provision and strengthening of local provision.

Some of these phases may operate simultaneously, and stages may be jumped, reversed or revisited.

The mobility of programs and institutions shows the following range of movement:

- From developed to developing countries
- From developing countries to other developing countries

And more recently:

- From developed to other developed countries

An interesting move on the horizon is the movement

- o From developing to developed countries.

Major transnational education host countries such as Singapore and Malaysia – also driven by reputational, academic and financial goals – are strengthening their domestic provision whilst seeking to attract prestigious foreign providers, with a view to achieving education-hub status and becoming net exporters of education in their own right. As countries strive to enhance their reputation in the field of higher education, we can expect an increasing shake-out of lesser-quality providers (which has already begun in Singapore, for instance) by government regulation and the choices of well-informed students (voting with their feet – another version of leveraging footprints). Distance-education shopfronts and franchises will be squeezed out in favour of prestigious providers – perhaps in consortium arrangements – with a commitment to a major bricks-and-mortar presence, and a traditional academic focus on research and furnishing students with a real (rather than virtual) campus experience.

Full-service campuses demand significant financial outlay to cover start-up and operational costs. In most cases, this may be too much for one institution to bear and risk from its own domestic funding base. One solution is to arrange multiple funding sources that may include government, international agencies, philanthropic bodies and industry in addition to universities themselves. The challenge will then be to successfully meet the multiple – and perhaps conflicting – academic, financial, reputational and other goals of those involved, whilst ensuring students are provided with high-quality education.

Note: this paper draws on two forthcoming publications

G. McBurnie and C. Ziguas. (in press). *Transnational Education: Issues and trends in offshore education*. London: Routledge Falmer.

G. McBurnie (forthcoming 2006) 'Leveraged footprints', 'dark clouds' and 'bleeding millions': perspectives on Australian universities' offshore campuses, *Perspectives in Education*

A Note On Australia

We can briefly sketch the dimensions of Australia's offshore education. The Australian university system in 2006 consists of 37 public institutions and three private institutions (including the USA's Carnegie-Mellon campus established in the state of South Australia in 2006). The universities are permitted (indeed encouraged) by government to engage in various commercial activities, including providing education on a fee-paying basis to international students. It is important to note that the institution charging the fee is permitted to keep the profit, or bear the loss, as the case may be. Australian public universities now routinely receive less than half of their budget from recurrent government funding; the remainder is generated through fee-charging activities, contract research, consultancies, royalties, donations, return on investments and so on (Quinlivan 2006: 36). In the year 2005, IDP Education Australia reports that there were approximately 130,000 international higher education students studying on-campus in Australia, plus some 42,500 studying via offshore campus (or at least, what institutions deemed to be an offshore campus), and an additional 12,000 studying Australian programs offshore by (off-campus) distance education (IDP 2005a:2). According to the most recent survey published by the Australian Vice Chancellors' Committee (AVCC 2004), 37 universities provided a total of 1,569 offshore programs in conjunction with local partners in more than 20 countries in regions including Asia, Africa, the Middle East, Europe and North America. More than 70% were offered in Singapore, Malaysia and China (including Hong Kong SAR). The longest-running programs listed were commerce programs, commencing in 1985 in partnership between Curtin University of Technology and the University of Hong Kong's School of Professional and Continuing Education. Commerce continues to be the most popular discipline for students enrolled in Australian offshore programs (AVCC 2004). It has been forecast that the demand for transnational education by a set of Asian countries (excluding China) will reach 480,000 students by the year 2020 (Blight and West 1999). The university-owned industry body IDP Education Australia has forecast that there will be 83,000 students enrolled in Australian offshore programs by the year 2010, expanding to 300,000 by 2025, by then representing 47% of all international enrolments in Australian programs (Bohm *et al.* 2002). Such forecasts must of course be approached with a critical eye, but it is nonetheless clear that transnational education is a large phenomenon, and one that is expected to grow.

There is no widely-agreed upon definition of an offshore campus. In practice it encompasses rented shopfronts or the premises of a partner, to traditional bricks and mortar campuses with lecture theatres, tutorial classrooms, significant library holdings, laboratory facilities and social amenities. (The term 'campus' is of course more prestigious and marketable than 'shopfront', so the ambiguity is likely to continue.) We are concerned here in particular with the last – and most substantial – type of entity. For Australia, this includes at least the following: Monash University Malaysia, Curtin University of Technology Sarawak Campus Malaysia, Monash South Africa, and RMIT University Vietnam. The University of New South Wales Singapore campus is planned to commence in 2007.

Consistent with its GATS and other Free Trade Agreement commitments, in mid-2006 the federal government (in cooperation with its states) liberalised and made

more transparent the requirements for foreign education providers to operate on its territory. It is anticipated that there will be at least six such providers in place during 2007 variously from the USA, England, Scotland and China, either in partnership with local institutions or as stand-alone operations (Maslen and Slattery 2006:31). This follows the opening of the USA's Carnegie Mellon campus, which enjoys a \$20 million grant from the South Australian government (Maslen and Slattery 2006:31). Australia is now also an importer of transnational education, a phenomenon that seems likely to grow, as providers see the opportunity to service Australian students *and* to use Australia as a geographically congenial base to attract students from the Asia-Pacific region and elsewhere.